

The image is a promotional graphic for the Freehold Royalty Trust. It features a dark grey background with the company name 'Freehold ROYALTY TRUST' in white. Below this, the event title 'CIBC World Markets 2007 Energy Conference' is displayed in white and yellow, followed by the location and date 'Toronto, Ontario – April 19, 2007'. A dark brown horizontal band at the bottom contains the text 'TEN YEARS' in large yellow letters, followed by a list of attributes: 'OF ROYALTY INCOME, OF HIGH NETBACKS, OF FINANCIAL STABILITY, OF PROFITABLE RESULTS, OF CONSERVATIVE DEBT MANAGEMENT, OF A CONSISTENT BUSINESS STRATEGY, OF RESPONSIBLE GOVERNANCE, OF A QUALITY INVESTMENT, OF FREEHOLD ROYALTY TRUST.'

CHECK AGAINST DELIVERY

[David Sandmeyer]

Good morning, it's a pleasure to be here today. I'd like to thank CIBC World Markets for inviting us to participate in this event.

Forward-Looking Statements

Freehold
ROYALTY TRUST

This presentation offers management's assessment of Freehold's future plans and operations as at April 16, 2007, and contains forward-looking statements.

We assume no obligation to update or revise these forward-looking statements.

The assumptions used in the preparation of this presentation are subject to numerous risks and uncertainties that could significantly affect anticipated results in the future.

Some of these factors are discussed in Freehold's most recent annual report and annual information form filed on www.sedar.com.

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Our presentation does contain forward-looking information and actual results could differ materially from current expectations.

I refer you to Freehold's annual information form for a discussion of the major risks and uncertainties.

Trust Profile

Freehold
ROYALTY TRUST

- **IPO Nov. 25, 1996**
 - » \$10.00 per Trust Unit

- **Listed on TSX: FRU.UN**
 - » Symbol: FRU.UN
 - » 52 week trading range: \$12.43 - \$23.06
 - » Average daily trading volume: ~ 100,000
 - » Included in S&P/TSX Composite Index

- **Trust Units Outstanding**
 - » 49.2 million

- **Market capitalization**
 - » \$700 million

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Freehold is listed on the Toronto Stock Exchange and our market capitalization is around \$700 million dollars. At current market prices, we have an attractive cash-on-cash yield of approximately 13%.

We have 49 million Trust Units outstanding.

Our largest unitholder is the CN Pension Trust Fund. CN has recently added to its position, buying in the market, and currently owns 22% of our units.

The Manager**Freehold**
ROYALTY TRUST

Rife Resources Management Ltd.

- **Owned by CN Pension Trust Funds**
 - » Owns 100% of Rife Resources Ltd. and Canpar Holdings Ltd.
 - » Owns 22% of Freehold
- **Manages production of 22,000 boe/d**
 - » On behalf of Freehold, Rife, and Canpar
- **Management fee paid in Trust Units**
 - » 35,654 Trust Units per quarter
- **Experienced management team**
 - » Senior management 20+ years with Rife

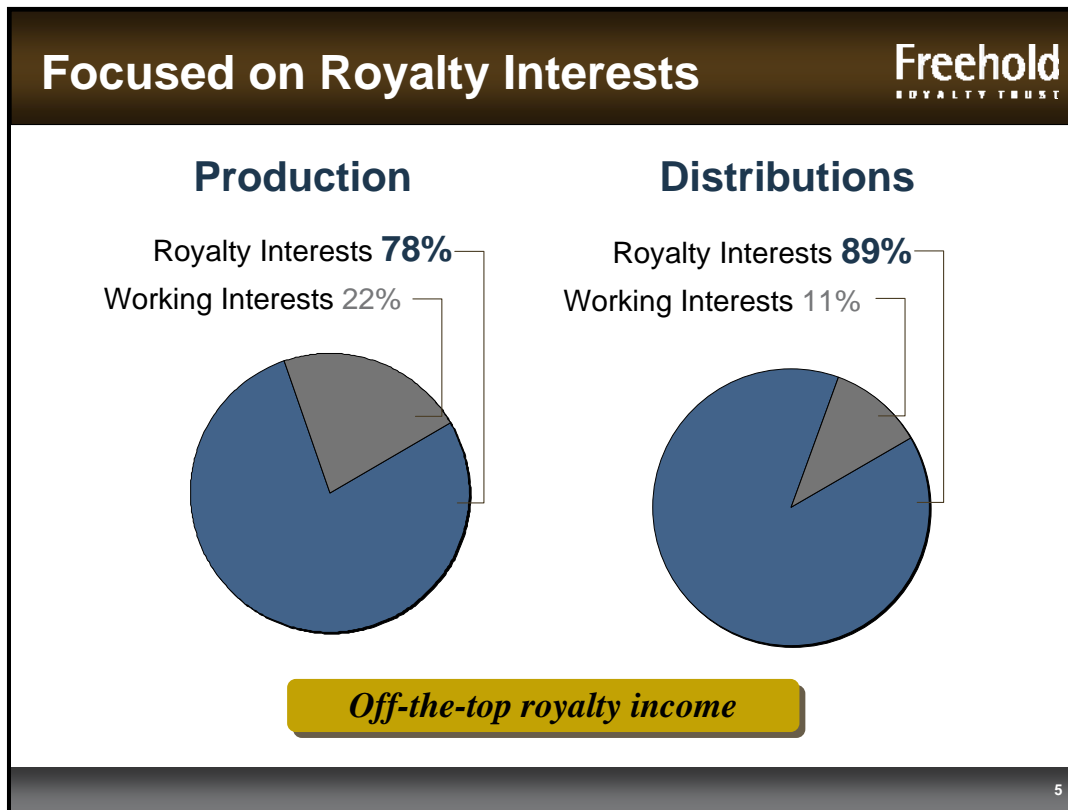
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Freehold does not operate any of its production, nor does it have any employees.

The Trust is managed by Rife Resources Management, which is owned by the CN Pension Trust Fund. Rife manages production of more than 22,000 barrels of oil equivalent per day on behalf of three entities, including Freehold.

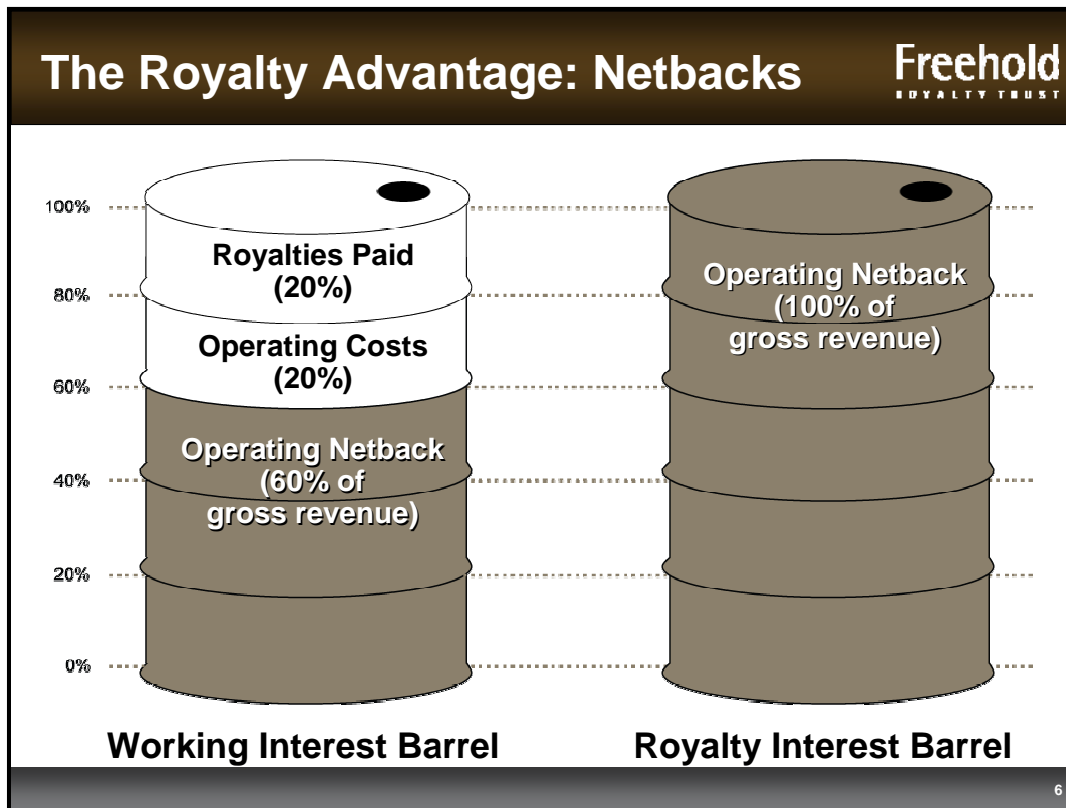
The management fee is paid in Trust Units, which we believe aligns the Manager's interests with the interests of Unitholders.

Our senior management team have all been with Rife for over 20 years, and have extensive experience in managing the assets of Freehold.



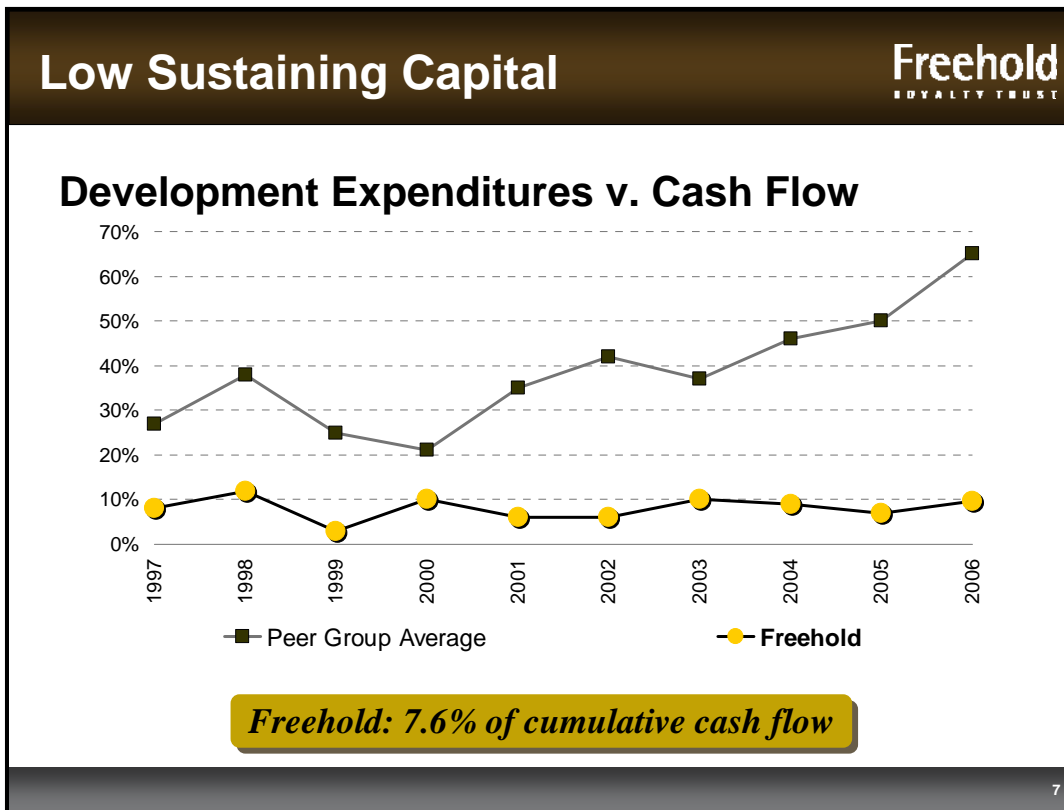
Freehold is focused on a particular kind of oil and gas asset – royalty interests.

We have one of the largest portfolios of privately-held mineral rights in western Canada – over three-quarters of our production, and about 90% of our distributions, comes from royalties.



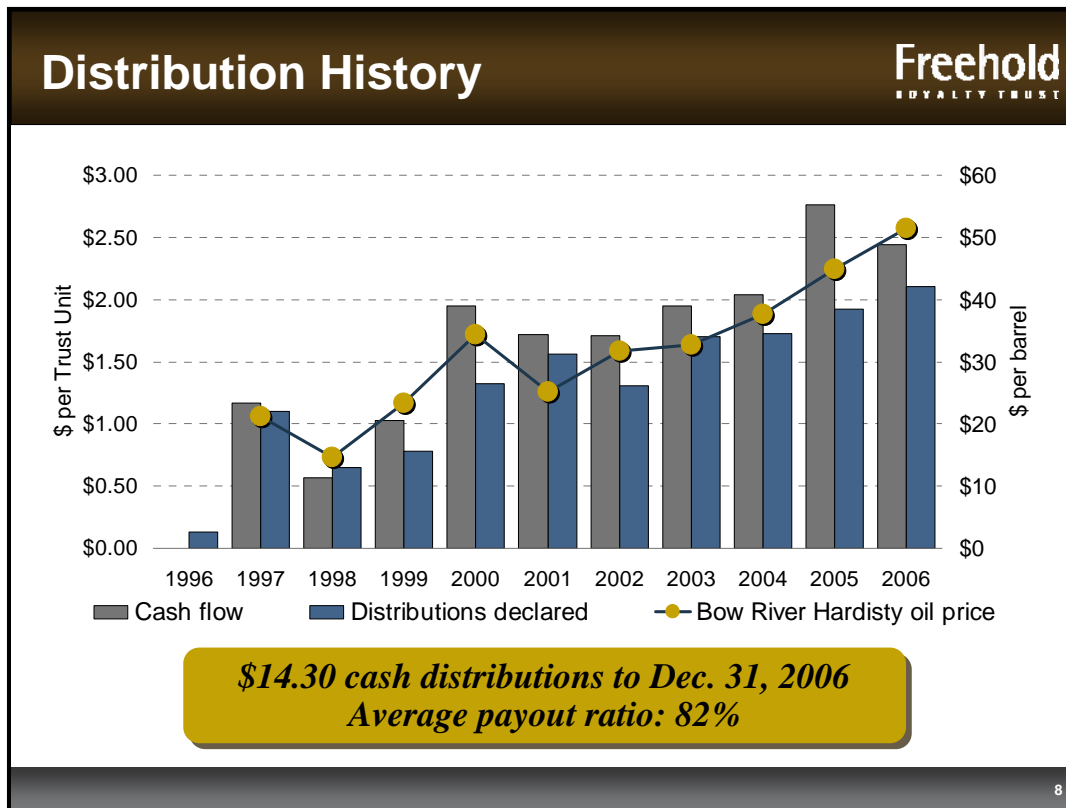
Owning royalty interests has some obvious advantages – higher netbacks, and no associated capital, operating, or royalty expenses.

But we always have to remind people that we are different – and that sometimes the rules of thumb that are applied to a conventional oil and gas trust to filter the best performers do not apply to us. Our royalty model is not an E & P model. You need to look below the surface to understand the value of our assets.



For example, our focus on oil and gas royalties means we have not required high levels of capital investment to sustain our asset base and generate production.

Our capital expenditures have amounted to under 8% of annual cash flow since 1997, while the capital requirements of our peer group have been growing, reaching more than 65% of cash flow in 2006.



The reason we can maintain a high payout ratio is because we don't need large amounts of capital to sustain production.

Over the past decade, we have:

- funded 100% of our development expenditures,
- financed our minor acquisitions, and
- maintained a very conservative balance sheet by paying down debt

– all the while delivering an average payout ratio of 82% of our cash flow.

Top Ten Royalty Payors

Freehold
ROYALTY TRUST

Ten payors accounted for 50% of royalty revenue in 2006

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On the surface, one might look only at our higher payout ratio and see a negative – that we aren't reinvesting in the business. But our industry partners are doing exactly that.

These were our top ten royalty payors in 2006. All of these companies remain active drillers on our lands.

250 Industry Partners (Royalty Payors)

101072464 SASK. LTD. 288877 ALBERTA LTD. 3147479 CANADA INC. 385417 ALBERTA LTD. 439 OIL & GAS 618555 SASKATCHEWAN LTD. 701827 ALBERTA INC. 868218 ALBERTA LTD. ABATIS EXPLORATION LTD. ACTION ENERGY CORPORATION ADANAC OIL & GAS LIMITED ADECO EXPLORATION ADVANTAGE OIL & GAS LTD. ALDON OILS LTD. ALTACANADA ENERGY CORP. ALTMARK ENERGY INC. ANADARKO CANADA CORPORATION ANDERSON ENERGY LTD. ANTERRA RESOURCES INC. APACHE CANADA LTD. APEX ENERGY (CANADA) INC. ARC RESOURCES LTD. ASPEN RESOURCES INC. ATHENA RESOURCES LTD. AVOLON RESOURCES LTD. AVENIR OPERATING CORP. BALLANTYNE INTERNATIONAL RESOURCES BALLATER RESOURCES LTD. BARNWELL OF CANADA LIMITED BAYTEX ENERGY LTD. BDO DUNWOODY LLP BEARSPAW PETROLEUM LTD. BLACK RIDER RESOURCES INC. BLUE MOUNTAIN ENERGY LTD. BLUE SPRINGS ENERGY LTD. BONAVISTA PETROLEUM LTD. BONTERRA ENERGY CORP. BP CANADA ENERGY COMPANY BRIGUS RESOURCES LTD. BULLDOG ENERGY INC. BUMPER DEVELOPMENT CORPORATION LTD. BURLINGTON RESOURCES CANADA LTD. BURMIS ENERGY INC. CAN-ABLE ENERGY LTD. CANADIAN FOREST OIL LTD. CANADIAN HUNTER RESOURCES CANADIAN NATURAL RESOURCES CANADIAN SUPERIOR ENERGY INC. CANETIC RESOURCES INC. CANEX ENERGY INC. CANSEARCH RESOURCES LTD. CAVELL ENERGY CORPORATION CELTIC EXPLORATION LTD. CENTRICA CANADA LIMITED CHAIR RESOURCES INC. CITY OF MEDICINE HAT CLEAR ENERGY INC. COASTAL RESOURCES LIMITED COLONIA ENERGY CORPORATION COMPASS PETROLEUM INC. COMPTON PETROLEUM CORPORATION COMPUTERSHARE TRUST COMPANY OF CANADA COMSTATE RESOURCES LTD. CONNACHER OIL AND GAS LIMITED CONOCOPHILLIPS CANADA ENERGY PARTNERSHIP CONTACT EXPLORATION INC. CORDERO ENERGY INC. CRESCENT POINT ENERGY PARTNERSHIP CREW ENERGY INC. DAYLIGHT ENERGY LTD. DELPHI ENERGY CORP. DELTA RESOURCES INC. DERWENT PETROLEUM LTD. DEVON CANADA DIAZ RESOURCES LTD. DIRECT ENERGY MARKETING LIMITED DOMINION EXPLORATION CANADA LTD. DUAL EXPLORATIONS INC. DUCE OIL LTD. EDWARDS OIL COMPANY INC. EMM ENERGY INC. ENCANA OIL & GAS PARTNERSHIP ENDEV ENERGY INC. ENERMARK INC. ENERPLUS RESOURCES CORPORATION ENG-LAND ENERGY LTD. ENTERRA PRODUCTION PARTNERSHIP EOG RESOURCES CANADA ESCALADE ENERGY INC. ESPRIT EXPLORATION LTD. EXXONMOBIL CANADA ENERGY FAIRBORNE ENERGY LTD. FET ENERGY LTD. FET RESOURCES LTD. FIND ENERGY LTD. FLAGSHIP ENERGY INC. FORTE OIL CORPORATION FOUR WINDS ENERGY SERVICES LTD. FREEHOLD RESOURCES LTD. FUEGO RESOURCES LTD. GALLEON ENERGY INC. GENTRY RESOURCES LTD. GEOCAN ENERGY INC. GKN RESOURCES LTD. GOLDEN EAGLE ENERGY INC. GRAND BOW PETROLEUM LIMITED GREEN DRAGON INVESTMENT LTD. GROUNDSWELL ENERGY INC. HARVARD ENERGY HARVEST OPERATIONS CORP. HIGHLINE OIL & GAS LIMITED HIGHVIEW RESOURCES LTD. HUMMINGBIRD ENERGY INC. HUNT OIL COMPANY OF CANADA INC. HUSKY OIL OPERATIONS LIMITED IMPERIAL OIL RESOURCES INDIAN BAY OIL & GAS INC. INDUS CANADA PETROLEUM LTD. INNOVA ENERGY LTD. INTERNATIONAL MINERALS & CHEMICAL INTREPID ENERGY CORPORATION ISH ENERGY LTD. JARROD OILS LTD. KAISER ENERGY LTD. KANATA GAS & OIL LTD. KENWOOD RESOURCES LTD. KERECO ENERGY LTD. KETCH RESOURCES LTD. KEYWEST ENERGY CORPORATION KIWIS RESOURCES LTD. KOBIS RESOURCES LTD. KOOTENAY ENERGY INC. LANDEX PETROLEUM CORP. LARIO OIL & GAS COMPANY LONGHORN OIL & GAS LTD. MADISON ENERGY CORP. MAHALO ENERGY LTD. MAMBA PRODUCTION PARTNERSHIP MEC OPERATING COMPANY MIDALE PETROLEUMS LTD. MINK ENERGY LTD. MISSION OIL & GAS INC. MOSAIC ENERGY LTD. MURPHY OIL COMPANY LTD. NAL RESOURCES LIMITED NAVIGO ENERGY INC. NEW CENTURY PETROLEUM CORPORATION NEW MIDLAND PETROLEUM LTD. NEWPACT ENERGY CORP. NEXEN PETROLEUM CANADA NORTHROCK RESOURCES, A GEN PARTNERSHIP NOVITAS ENERGY LTD. NUVISTA ENERGY OAKFERN PETROLEUM LTD. OMERS ENERGY INC. ONYX ENERGY INC. OPEN RANGE ENERGY CORP. ORLEANS ENERGY LTD. PARAMOUNT ENERGY OPERATING CORP. PARAMOUNT RESOURCES LTD. PASSPORT PETROLEUMS LTD. PEGASUS OIL & GAS INC. PEMOCO LTD. PENGROWTH CORPORATION PENN WEST ENERGY TRUST PENN WEST PETROLEUM PEREGRINE ENERGY LTD. PETENCO RESOURCES LTD. PETRO CANADA OIL AND GAS PETROBANK ENERGY AND RESOURCES LTD. PETROFUND CORP. PETROGLOBE INC. PETROVERA RESOURCES PEYTO EXPLORATION & DEVELOPMENT CORP. PEYTO EXPLORATION INC. PILOT ENERGY LTD. PIONEER NATURAL RESOURCES CANADA INC. POINT NORTH ENERGY LTD. POSTELL ENERGY CO. LTD. POT ACQUISITION COMPANY LTD. POTAMINE POTASH MINING OF CANADA INC. POTASH CORP. OF SASKATCHEWAN INC. PRAIRIE BIRCH ROYALTIES LTD. PRAIRIE SCHOONER PETROLEUM LTD. PRIMEVEST ENERGY INC. PRIMROSE DRILLING VENTURES LTD. PROFICO ENERGY MANAGEMENT LTD. PROGRESS ENERGY LTD. PROVIDENT ENERGY LTD. PURCELL ENERGY LTD. QUICKSILVER RESOURCES CANADA INC. RAD RESOURCES INC. RAMIER RESOURCES LTD. RANGE ROYALTY MANAGEMENT LTD. REAL RESOURCES INC. REECE ENERGY EXPLORATION CORP. REMINGTON ENERGY RICHMOUNT PETROLEUM (CANADA) LTD. RIDEAU PETROLEUMS LTD. RIDER RESOURCES INC. RIFE RESOURCES LTD. ROCKVIEW ENERGY INC. RSX ENERGY INC. SABRE ENERGY LTD. SAMSON CANADA RESOURCES SAMSON EXPLORATION LTD. SAMSON OIL AND GAS INC. SEBRING ENERGY INC. SEDNA OIL AND GAS LTD. SENECA ENERGY CANADA INC. SHAMAN ENERGY CORPORATION SHELL CANADA LIMITED SHININGBANK ENERGY LTD. SIFTON ENERGY INC. SIGNALTA RESOURCES LIMITED SILVER BAY RESOURCES LTD. SKYLIGHT ENERGY RESOURCES LTD. SLAVE RIVER EXPLORATION LTD. SOUND ENERGY TRUST SOUTHWARD ENERGY LTD. SPECTRUM RESOURCES GROUP INC. SPHERE ENERGY CORP. SPUR RESOURCES LTD. STANDARD ENERGY INC. STORM BAY OIL & GAS INC. STYLUS EXPLORATION INC. SUNCOR ENERGY INC. SUPERMAN RESOURCES INC. T. BIRD OIL LTD. TALLISMAN ENERGY CANADA TERRA ENERGY CORP. THUNDER ENERGY INC. TIMBERROCK ENERGY CORP. TITAN CANADA RESOURCES TITAN EXPLORATION LTD. TRIDENT EXPLORATION CORP. TRISTAR OIL & GAS LTD. TRIWEST ENERGY INC. TRUE ENERGY INC. TUNDRA OIL AND GAS LTD. TWOCO PETROLEUM LTD. VANQUISH VAULT ENERGY INC. VERMLION RESOURCES LTD. VERTEX OIL & GAS LTD. VIKING HOLDINGS INC. VORTEX ENERGY CORPORATION WINDRIFT RANCHES LTD. WIN-EAGLE PETROLEUM LTD. WRANGLER WEST ENERGY CORP. ZARGON OIL & GAS LTD.

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In fact, there are over 250 companies that pay us royalties.

Our royalty rates vary from less than 1% for some gross overriding royalties to 22.5% for mineral title royalties.



Administering Royalties

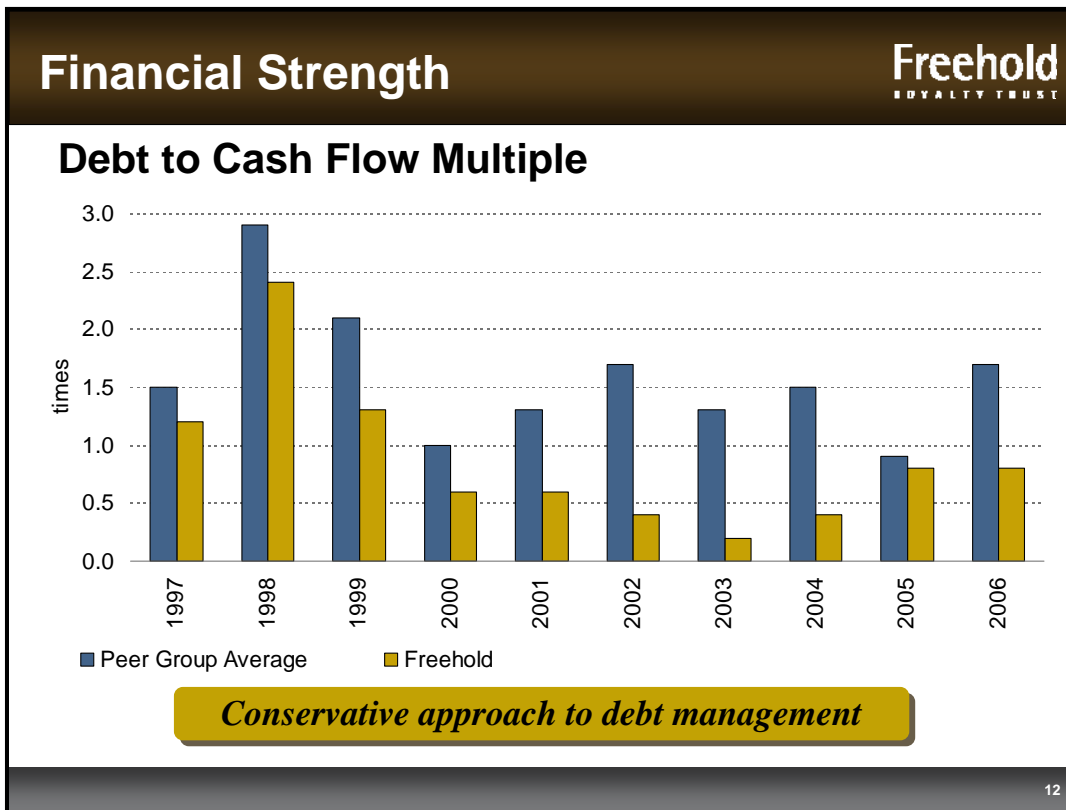
- **Experienced land, accounting, and audit professionals**
- **Aggressive audit program**
 - » **Over \$17 million in audit recoveries since 1997**

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Administering royalties takes a specialized expertise. In addition to geologists and engineers, we have experienced land, accounting, and audit professionals to manage our royalty assets.

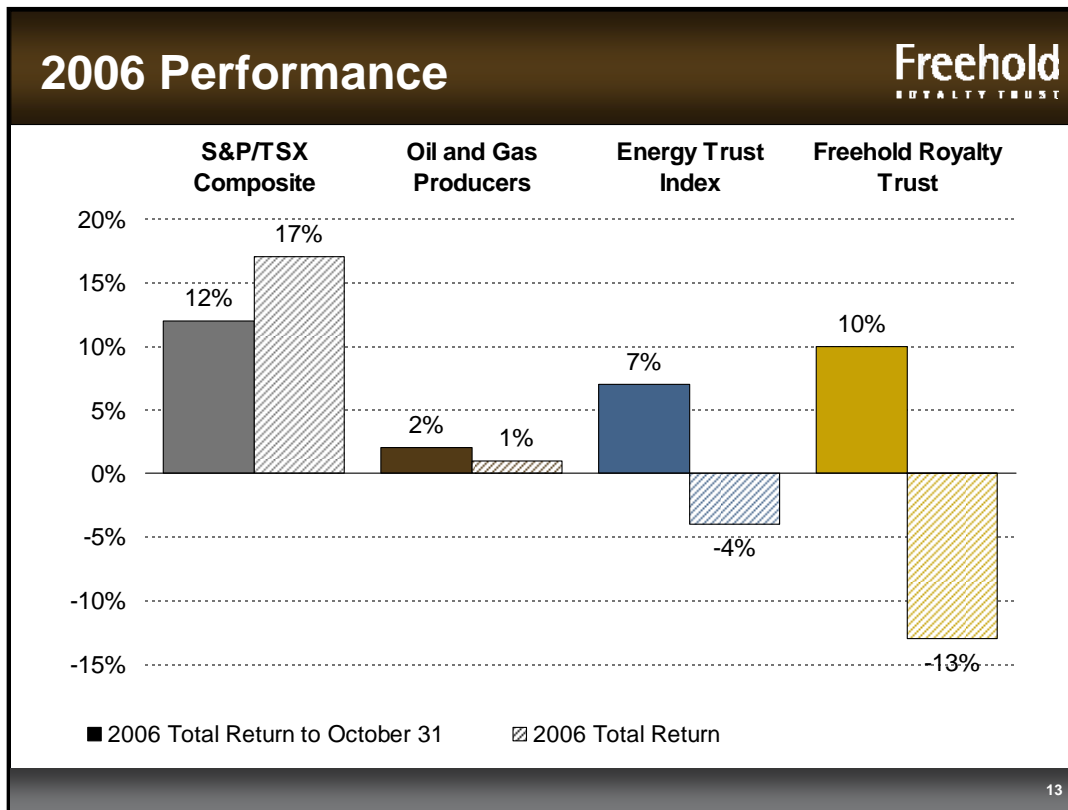
We maintain a very aggressive audit program to ensure that royalties are correctly calculated and paid when new wells are drilled, and that these royalties continue to be paid to us if the property is transferred to new owners.

Since 1997, our audit team has recovered over \$17 million dollars in royalty revenue.




Freehold takes a conservative approach to debt management and, historically, we have carried less debt than our peers.

Our debt at the end of 2006 was 0.8 times annual cash flow, compared to an average debt ratio of 1.7 times cash flow for our peer group.



Freehold's total return for the first 10 months of 2006 was 10%, but following the Government's income trust taxation announcement on October 31, all of that gain was reversed and we ended the year in negative territory, with our total return down 13%.

So, what will this new tax mean for Freehold?



Proposed Income Trust Tax

Announced October 31, 2006

- **New tax rules proposed for 2011**
 - » Biggest impact on non-residents and tax-deferred investors
- **Proposed equity growth limits will not significantly limit our near-term growth opportunities**

Freehold's royalty lands will continue to produce superior netbacks for investors

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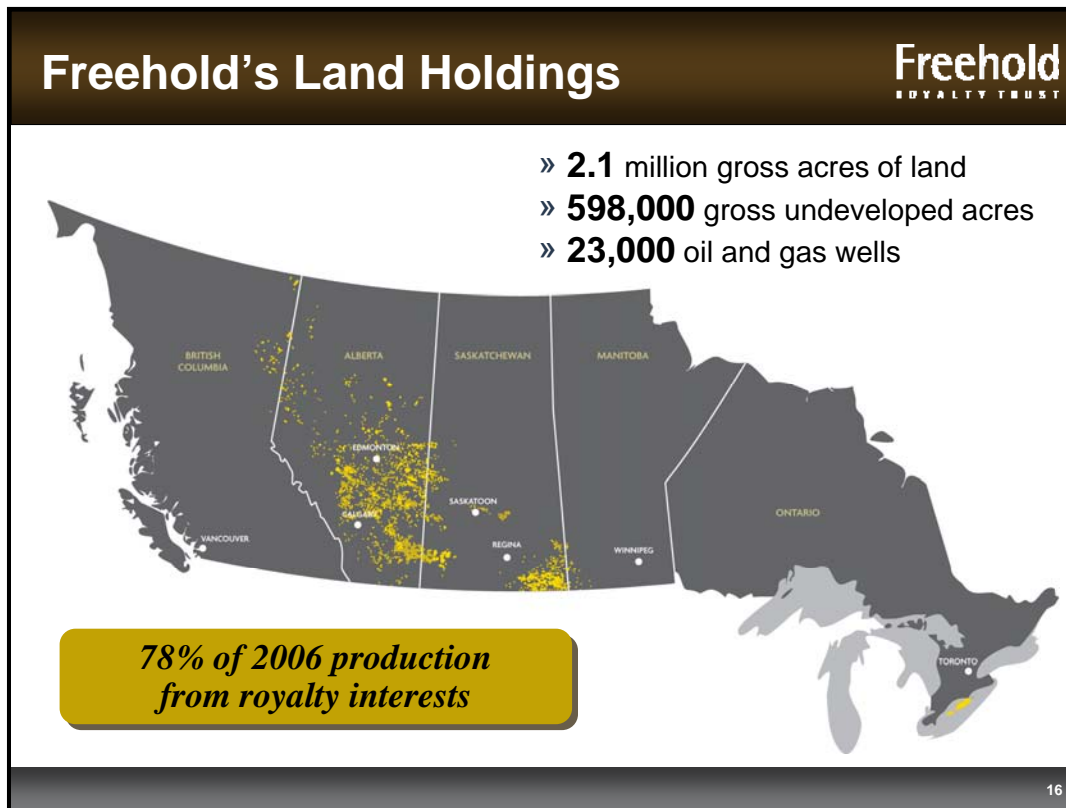
Assuming the proposed changes are enacted, the new tax would apply to our distributions starting in 2011. The biggest impact will be felt by unitholders who are tax deferred or non-residents of Canada.

At this point, we are still waiting to see the final rules. We do know that our tax pools won't provide much shelter from taxation at the trust level. With our royalty assets, we simply don't generate a lot of tax pools.

However, we have high quality assets and we are under no pressure to raise capital in order to sustain production. At the same time, the proposed equity limits will not significantly limit our near-term growth opportunities, and we have a strong balance sheet that will allow us to pursue acquisition opportunities.



I'd now like to turn the podium over to Bill Ingram, our Vice President of Production, to provide an update on our assets...



[Bill Ingram]

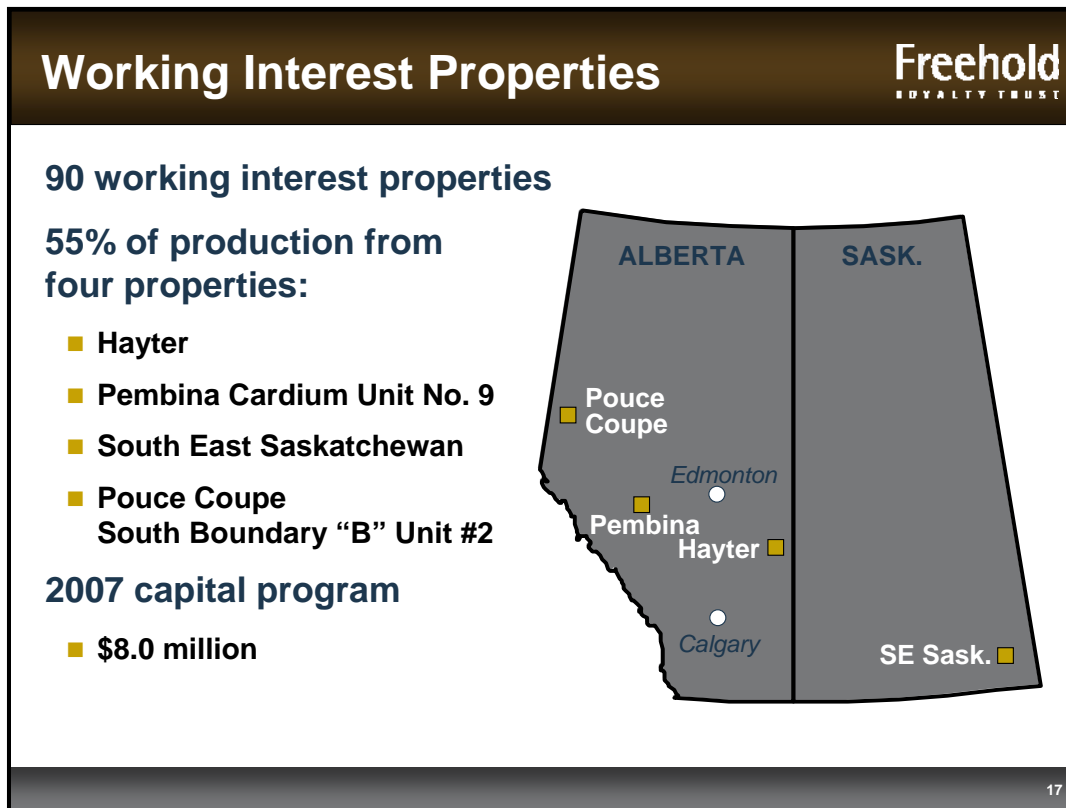
Thanks, David.

The dots on this map represent all of the lands in which Freehold has an interest.

We have 2.1 million gross acres of land, and nearly 600,000 gross acres of undeveloped land.

We have an interest in over 23,000 oil and gas wells.

Our royalty interests provided 78% of our production last year.

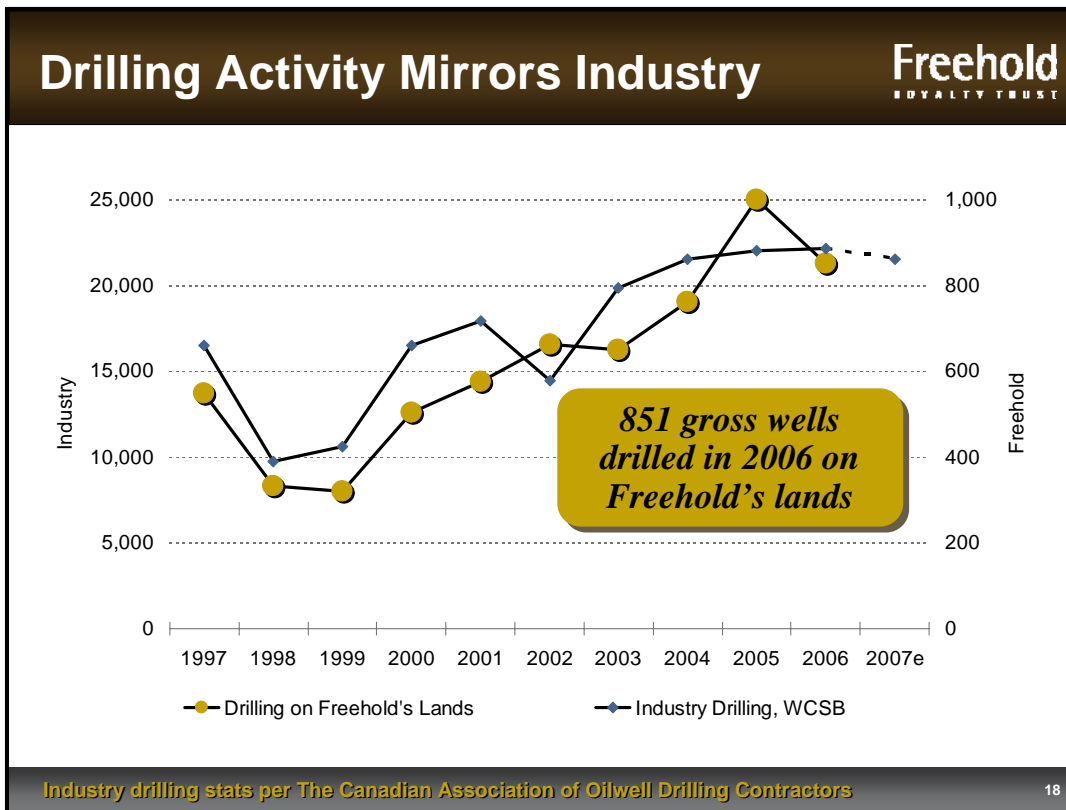


The other 22% of our production comes from working interests, the majority of which are in Alberta.

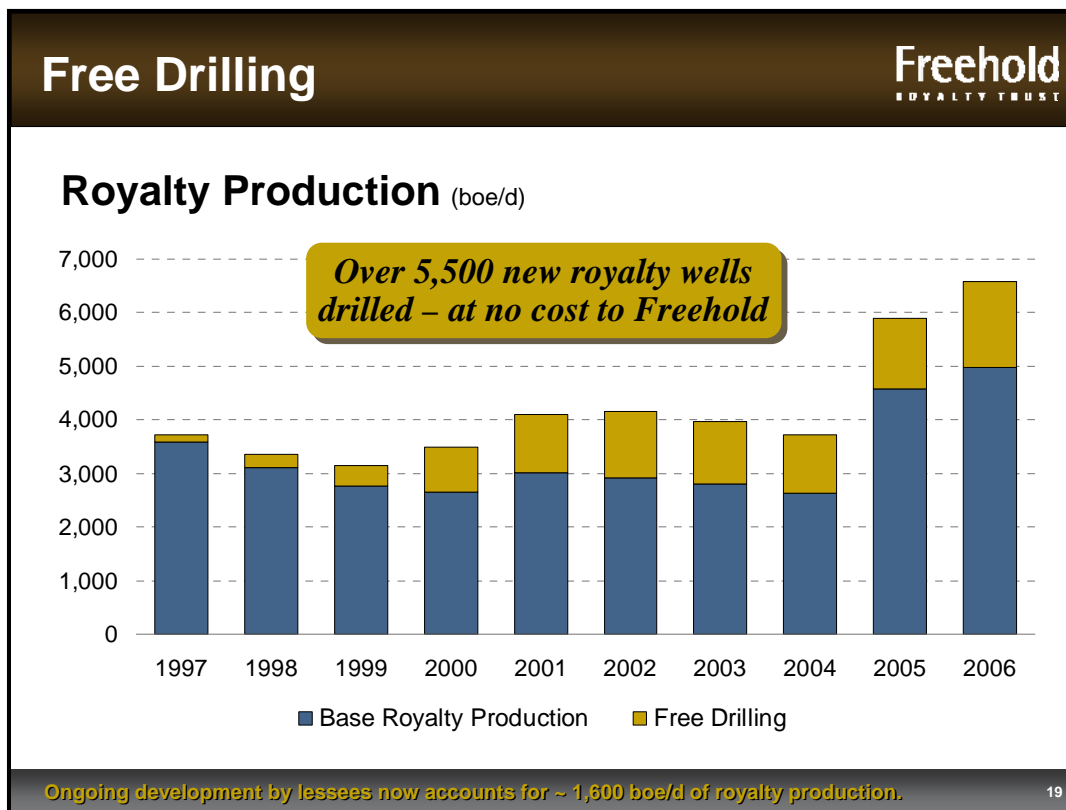
About 55% of our working interest volumes come from four properties in Alberta and Saskatchewan.

As David mentioned, we don't incur capital expenditures on our royalty lands, so our capital requirements are relatively modest.

Our capital program for 2007 will be approximately \$8 million dollars.



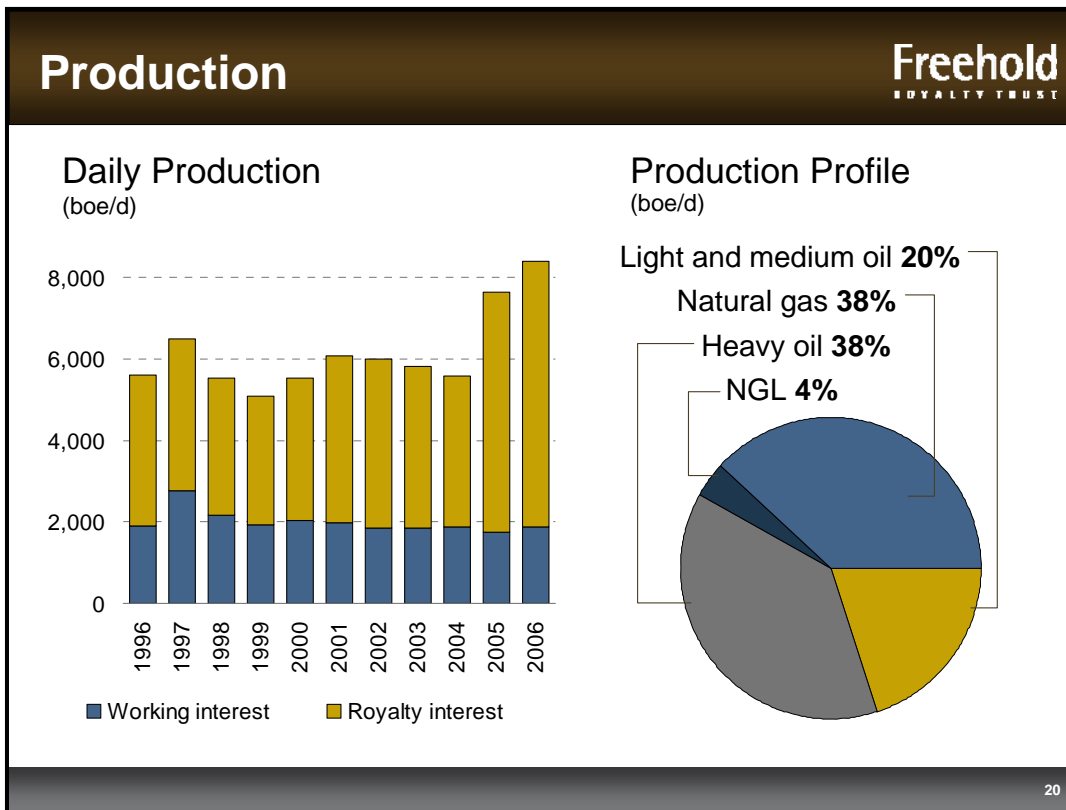
Historically, drilling on our royalty lands has generally mirrored overall industry activity levels. While drilling was down from last year's record, mainly due to a reduction in drilling in shallow gas areas, 2006 was still the second best year in our 10-year history. We are still seeing strong activity on our lands. At year-end there were 119 licensed drilling locations on our royalty lands, compared to 92 locations at the same time last year.



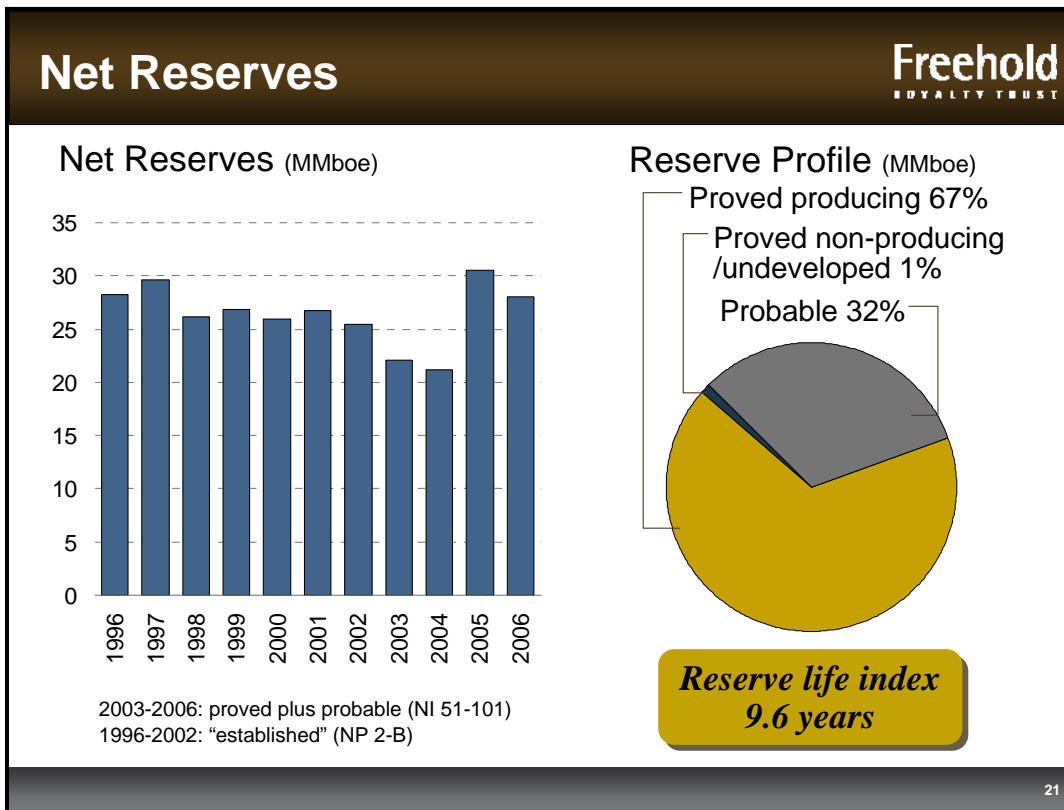
Over the past decade, more than 5,500 new wells have been drilled on our royalty lands, at no cost to Freehold. In other words, other operators have financed 100% of the development activity on our royalty lands.

This “free drilling” now contributes approximately 1,600 barrels of oil equivalent per day – or about one-fifth of our royalty production volumes.

There are still a lot of opportunities for future activity on our royalty lands.

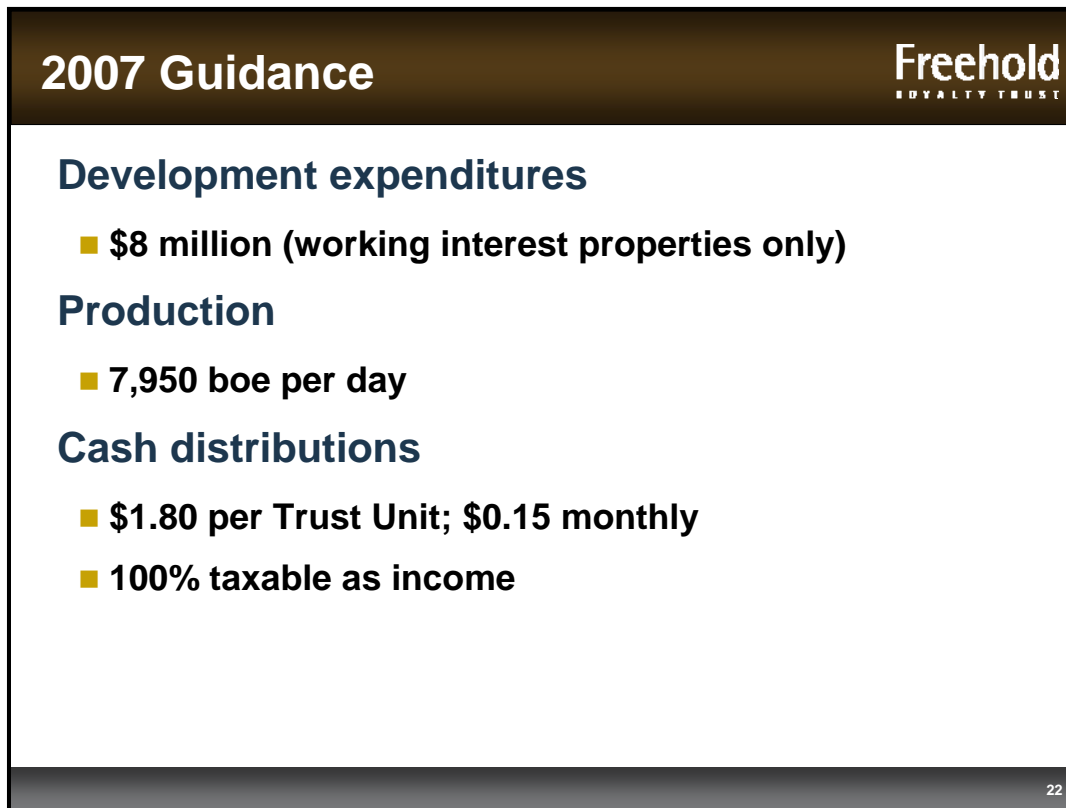


Our average production for 2006 was about 8,400 barrels of oil equivalent per day. Our production mix is 38% natural gas and 62% liquids. About 60% of our liquids production is heavy oil.



We have 28 million boes of proved plus probable reserves. Two-thirds of our reserves are in the proved category, and nearly all of our proved reserves – 98.6% – are classified as producing.

In 2006, we had negative reserve revisions of one million barrels of oil equivalent. These revisions resulted from changes in the producing characteristics of a large number of properties, the majority of which were in heavy oil areas in Alberta and Saskatchewan.



2007 Guidance **Freehold**
ROYALTY TRUST

Development expenditures

- **\$8 million (working interest properties only)**

Production

- **7,950 boe per day**

Cash distributions

- **\$1.80 per Trust Unit; \$0.15 monthly**
- **100% taxable as income**

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With our 2007 capital program, and continued drilling on our royalty lands, we anticipate that our production will average just under 8,000 barrels of oil equivalent per day.

We currently pay a distribution of 15 cents per month and expect to pay \$1.80 per unit this year.

2007 Assumptions		Freehold ROYALTY TRUST
Average WTI oil price (US\$/bbl)	62.50	
Average exchange rate (Cdn\$/US\$)	0.90	
Average Edmonton Par oil price (Cdn\$/bbl)	68.33	
Average light/heavy oil price differential (Cdn\$/bbl)	(25.00)	
Average Bow River Hardisty oil price (Cdn\$/bbl)	43.33	
Average AECO natural gas price (Cdn\$/Mcf)	7.25	
Average operating costs (\$/boe)	3.00	
Average general and administrative costs (\$/boe)	2.10	
Long-term debt at year-end (\$ millions)	97	
Weighted average Trust Units outstanding (000s)	49,200	

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This slides shows our major budget assumptions. On the pricing side, we are very happy with the prices we have seen in the first quarter – particularly with the heavy oil differential.

Bow River Hardisty – which is a close proxy for our average oil price realizations – came it at over \$50 dollars per barrel for the quarter.



The Royalty Advantage

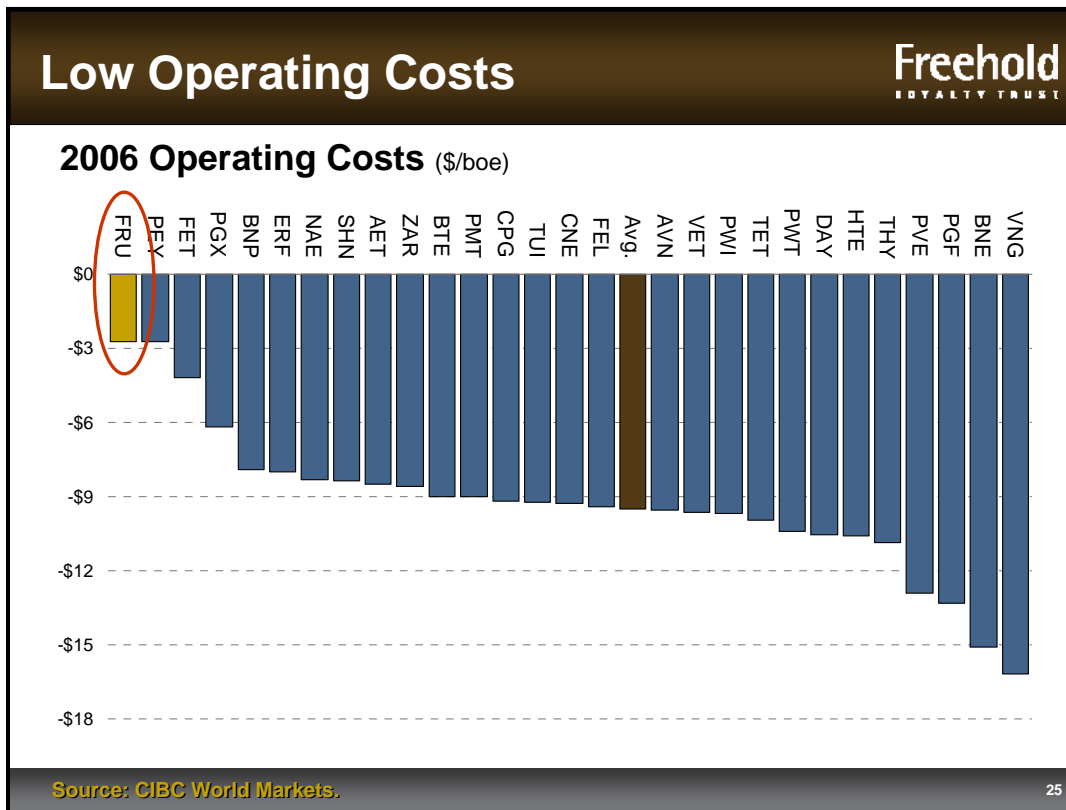
- Freehold is the only energy trust in Canada whose primary focus is on oil and gas royalty assets
- Royalty revenue:
 - » 50% from GORRs
 - » 45% from mineral title lands
 - » 5% from royalty assumption lands

Royalties
*Mineral title and
gross overriding royalties*

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Our Royalty Assets are really what sets us apart from our peers. Almost all of our peers have some royalty interests, but Freehold is the only energy trust whose primary focus is on royalties.

The next three slides will illustrate that advantage – and what it means for you as an investor.

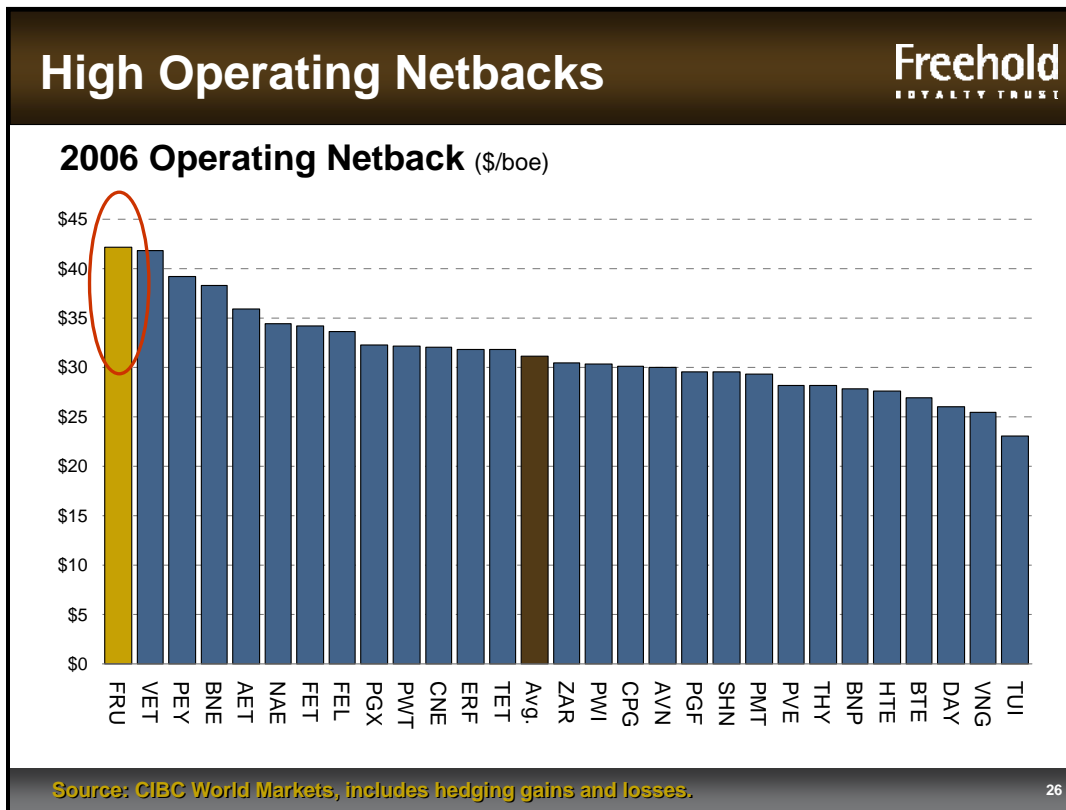


First, as David mentioned, our focus on royalties gives us low operating costs on a total 'barrel of oil equivalent' basis.

This slide shows the actual operating costs of 28 oil and gas trusts for 2006. Freehold is represented by the gold bar at the far left.

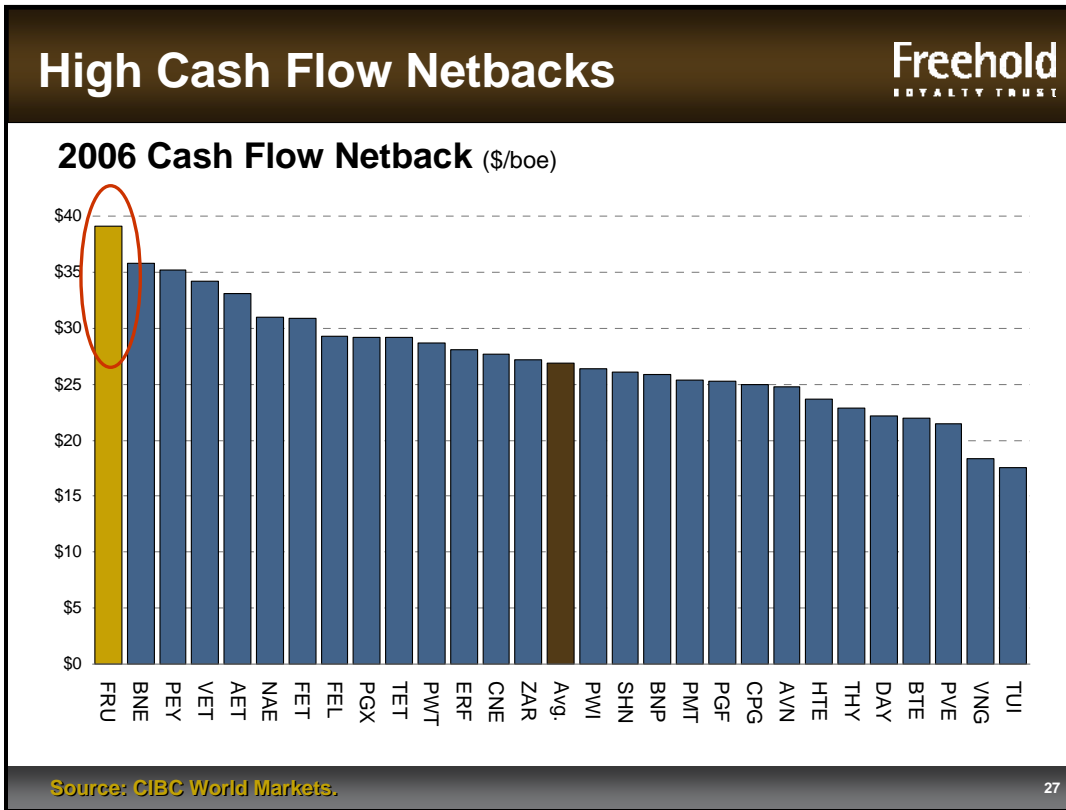
At \$2.71 per boe, Freehold's operating costs are the lowest in the group.

The average – that's the dark brown bar – was more than three times higher.



Low operating costs produce strong netbacks. Despite having a large proportion of heavy oil in our product mix, Freehold had the highest operating netback of the group in 2006.

Our operating netback was \$42.12, a full \$11 dollars higher than the group average.



This sector leading performance goes straight to our bottom line and helps us deliver stable distributions. Our all-in cash netback was over \$39 dollars in 2006, more than \$12 dollars higher than the average of our peer group.

2007 Strategic Focus



- 1

Manage our current assets, continue aggressive audit program
- 2

Pursue accretive royalty acquisitions to enhance our royalty asset base
- 3

Keep production unhedged to take advantage of price upside
- 4

Analyze tax changes to ensure best structure for our royalty assets

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Going forward, we are focusing on four strategic priorities in 2007.

- First, we will make the most of our existing asset base. This includes maintaining our aggressive audit program to realize the maximum value from our producing royalty lands.
- Second, we will continue to pursue accretive acquisition opportunities, with a focus on royalty assets that complement our existing portfolio. We are always on the look out for assets that meet our strict investment criteria, and our strong balance sheet gives us good flexibility to act quickly should an attractive opportunity arise.
- Third, we will keep our production unhedged to take advantage of price upside. This has been our strategy from the beginning, and we do not expect this strategy to change.
- And finally, we will examine and analyze the new income trust tax legislation and weigh our options to ensure we have the best structure, given our royalty assets, and considering that our business model is not a traditional E&P model. Whatever decisions we make, we will remain clearly focused on delivering value to our Unitholders.

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Freehold

ROYALTY TRUST

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Karen Taylor, Manager, Investor Relations
Phone: 403-221-0891 / Toll-free: 1-888-257-1873

**TEN
YEARS** OF ROYALTY INCOME, OF HIGH NETBACKS, OF FINANCIAL STABILITY, OF
PROFITABLE RESULTS, OF CONSERVATIVE DEBT MANAGEMENT, OF A CONSISTENT
BUSINESS STRATEGY, OF RESPONSIBLE GOVERNANCE, OF A QUALITY INVESTMENT,
OF FREEHOLD ROYALTY TRUST.

That concludes our presentation.

David and I would be happy to answer any questions.